

FD-302 (Rev 10-6-95)

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 05/09/2005

GRAND JURY MATERIAL - DISSEMINATE PURSUANT TO RULE 6(e)

ANGEL GUZMAN, Hispanic Male, date of birth 3/13/68, Social security # ~~██████~~-7146 was located at his mothers residence 24 Pomona Street, Springfield, Massachusetts, telephone (413)732-6145. GUZMAN was provided with the identity of the interviewing agent and the purpose of the interview. Also present during the interview was Special Agent (SA) Tom Luke, HUD/OIG. GUZMAN provided the following information on May 6, 2005:

GUZMAN advised that he first became aware of FRIENDS OF THE HOMELESS (FOHS) and the Executive Director FRANK KEOUGH while GUZMAN was incarcerated at Connecticut Correctional Facility located in Enfield, Connecticut serving a six-year sentence for armed robbery. Prior to his release on June 18, 1999 GUZMAN was approached by Correctional officer JACK GRIFFIN regarding GUZMAN's plans upon release.

GUZMAN had successfully completed his substance abuse programs while incarcerated. While participating in the programs GUZMAN was told by Officer GRIFFIN about KEOUGH, "he was supposed to have connections with the City and could help me get a job, I told Griffin that's where I wanted to go, end of story."

GUZMAN learned that GRIFFIN contacted KEOUGH, "he put in a good word for me to go to the Shelter." GUZMAN was released on June 18, 1999. On June 19, 1999, GRIFFIN, GUZMAN and KEOUGH met at KEOUGH's office, "Frank told me if I do the right thing he would help me out." GUZMAN advised, "I was hungry and wanted to prove myself."

GUZMAN stated "that about 4-6 months had gone by, I was a good tenant and doing what I was suppose to do, one day Frank called me into his office and asked me if I wanted a job, he would hook me up with Mansfield Paper, I was very excited and jumped on it." GUZMAN later learned that SCOTT PARENT, the owner of MANSFIELD PAPER was related to KEOUGH. GUZMAN was hired as a warehouse worker and remained in this position until he was able to get his revoked drivers license renewed. GUZMAN was promoted to driver position.

Investigation on 5/6/05 at Springfield, Mass.

File # _____ Date dictated 5/9/05

by SA Cliff Hedges

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FD-302a (Rev. 10-6-95)

Continuation of FD-302 of ANGEL GUZMAN, On 5/6/05, Page 2

GUZMAN acknowledged that sometime in between his working in the warehouse and later as a driver, he was approached by KEOUGH to do work on KEOUGH's home in Rhode Island. GUZMAN stated, "Frank was good to me, and I was eager to work, so I said yes." GUZMAN identified other Shelter tenants who did work at the home as; BENNIE (LNU); BOB OWENS; JOSE ROMAN; JOSE MELINDEZ; and TOM SMITH. GUZMAN advised that ROMAN would drive GUZMAN and the others to Rhode Island during the day in the Shelter Ford Green Taurus or KEOUGH's Jeep.

GUZMAN advised "while I was living at the shelter I was going to Rhode Island on a daily basis." GUZMAN acknowledged that he would stay at the Rhode Island home at least once a week.

GUZMAN stated that the majority of the work he did included painting, sheet rocking and general cleanup on the home, "Frank was a white guy with a lot of money." GUZMAN recalled one occasion, "Frank and I went to Home Depot we were shopping for stuff, he told me he had forgot something while in line . . . Frank handed me his wallet and told me to stay in line, his wallet was full of cash, I could have taken a \$100 or \$50 very easily but did not, it was a test."

GUZMAN confirmed that on at least ten occasions that KEOUGH would drive down to Rhode Island during the day, while GUZMAN and others were working, "he would buy us a grinder." GUZMAN advised that he had no set salary, "Frank would pay me in cash, usually twenty, thirty bucks, I have no clue how much he may have paid me."

GUZMAN confirmed that TOM SMITH, as the maintenance supervisor at the shelter and having also done work at the Rhode Island home, "he came down a lot." GUZMAN did not recall ever seeing JAMES BALISE at the home while GUZMAN was working. GUZMAN identified WENDELL (LNU) as a black male, living at the shelter as in Rhode Island "on numerous occasions."

GUZMAN was asked if he recalled DAN MCNAMEE at the Rhode Island home, "I know Danny, but most of the work he did was before I went down, I do know that he did a lot down there." GUZMAN identified MCNAMEE as one of several "connected" people that came to see KEOUGH on a regular basis. GUZMAN recalled, SHERIFF MIKE ASHE, TOM ASHE, and BUD WILLIAMS as regular visitors to the shelter.

FD-302a (Rev. 10-6-95)

Continuation of FD-302 of ANGEL GUZMAN, On 5/6/05, Page 3

GUZMAN advised the while at the shelter resided in room 211 and 212, until he eventually met WANDA MAHIEZ(PH), "I moved in with her shortly after we met, she lived on Dayton Street and worked at McDonald's located in the Southend of Springfield."

After a short period of time living with MAHIEZ, GUZMAN was approached by KEOUGH, "he told me he had an apartment on Palmer that he would rent to us for \$550.00 per month." GUZMAN believed that the time frame would have been 2000 that he moved into the residence. GUZMAN acknowledged, "I paid Frank cash, and did not have to pay a security deposit, he also had me do some work on the home." GUZMAN recalled redoing the wood floors, both sanding and refinishing.

GUZMAN lived at this residence for less then a year, when KEOUGH came to GUZMAN again, "Frank told me he had a house that I could buy, I got excited as I always wanted to buy a home, but did not think it was possible because of my bad credit. GUZMAN was told by KEOUGH that he would sell the house to GUZMAN cheap, "I said let's do it!"

GUZMAN advised that he borrowed \$7,000 from his brother FELIX MORELAS (deceased), "he died of Hep C, he was a drug dealer, all of this money was drug money." GUZMAN borrowed \$2,500 from his other brother ANDRE MORELAS, who is the manager of McDonalds. GUZMAN also borrowed \$5,000 cash from KEOUGH, "he told me that I could refinance the home and pay him back."

GUZMAN believed, the total amount he borrowed was \$14,000, "I'm not good with numbers, Frank was helping me. GUZMAN recalled that KEOUGH was asking \$93,000 for the home, "I paid \$77,000 with the down payment, I always felt that Frank was taking it to me, but did not care." KEOUGH instructed GUZMAN to use MIKE TORVILL for the mortgage, "he was located on Elm Street in West Springfield.

GUZMAN subsequently purchased the home and later refinanced the loan "as Frank suggested, I went to his office and he had Pat Walker type up some paper on the bank letterhead, I think it was Bank One located on Main and State Street, I told Frank that I changed the dates, he told me to send it to Mike."

GUZMAN advised that "all of sudden I went into a relapse, I stopped making payments on the home, my car and began to take drugs again. GUZMAN went to KEOUGH, " I told him that I was going

FD-302a (Rev. 10-6-95)

Continuation of FD-302 of ANGEL GUZMAN, On 5/6/05, Page 4

to lose the house but wanted to pay him, he said that he knew someone who would buy it from me." GUZMAN was later told by KEOUGH that TORVILL would buy the home and that KEOUGH would handle everything.

GUZMAN was instructed by KEOUGH to go to FRANK CARUSO, "he was an attorney, I assumed he was paid after the house was sold, they did everything." GUZMAN stated, "I don't even know how much I got for the house, I just signed the papers, and never received a dime."

GUZMAN identified IVAN DEVILA and LYDIA (LNU) as tenants living at the 26 Palmer address, "they paid rent to Frank." GUZMAN identified JOSE ROMAN as living in 24 Palmer, this was also owned by KEOUGH. ROMAN was also paying cash rent to KEOUGH, "Jose met some girl from Puerto Rico, she moved up with him and Frank got her a job as a substitute teacher at Howard Street."

GUZMAN advised that while he owned 26 Palmer, he also rented a portion of the residence to JULAND PEREZ, "she worked at NEW ENGLAND FARM WORKERS, paid me \$600.00 cash." PEREZ moved out after she discovered that GUZMAN was cheating on his girlfriend, "Wanda and Juland had become friends, she called code inspectors on me." GUZMAN went to KEOUGH about the problem, "Frank told me that he had a home on Pomona that my girlfriend Brenda Lorenz could move into so Wanda would not know where she was living." LORENZ is the mother of GUZMAN's daughter, who now resides in the Hartford area because of GUZMAN's continual drug usage.

GUZMAN started working at the Shelter while at MANSFIELD, "I started out working part-time eight hours a week and went full time." GUZMAN received \$10.00 an hour at first, then received a raise when GUZMAN became manager of 501 Worthington Shelter. GUZMAN began his drug treatment program again, and was asked by KEOUGH to assist as an intake worker at 769 Worthington Street Shelter at night. GUZMAN learned "once Frank got suspended, the board and Joe White started to mess with me, they knew I was friendly with Frank." GUZMAN was fired by WHITE after they discovered that GUZMAN had been charged years ago for Statutory Rape, and had not properly registered as a State Sex Offender.

GUZMAN identified RAMON SULLIVAN "he got one of the female tenants pregnant at the shelter, Joe (White) knew about it, but they did nothing." GUZMAN was aware that WHITE ran the OPPORTUNITY HOUSE, "it was nothing but a whore house."

FD-302a (Rev. 10-6-95)

Continuation of FD-302 of ANGEL GUZMAN, On 5/6/05, Page 5

GUZMAN advised that he also worked for the City of Springfield as a "drug intervention counselor" for the Hampden County Employment and Training Consortium (HCETC), "this did not last long as I fell off the wagon again, and was let go."

GUZMAN was rehired by the City as a "Post detox" worker, and identified MIKE DONAHUE (PH), JESSICA TAYLOR and LARRY LAWSON as other post detox workers. GUZMAN advised "this did not last long either, I was having problems and fell back into the drugs, Frank found me at a crack house, took me to his home, then he took me to Worcester rehab."

GUZMAN was questioned if he or others were solicited by KEOUGH to vote in local elections, GUZMAN stated, "I did not, but was aware that Larry Lawson was getting names from the shelter."

GUZMAN remains close with KEOUGH, "to this day I still cut his grass, he has helped me out a lot, he will have to answer for his mistakes, I will not protect him and get myself in trouble."

GUZMAN identified, MARY ROSE PORTER as a board member for FOHS that GUZMAN had done work for during his shift at the shelter. GUZMAN was told by KEOUGH, "to help her move, I also did painting with Brenda, she paid us each \$100."

Interview concluded.